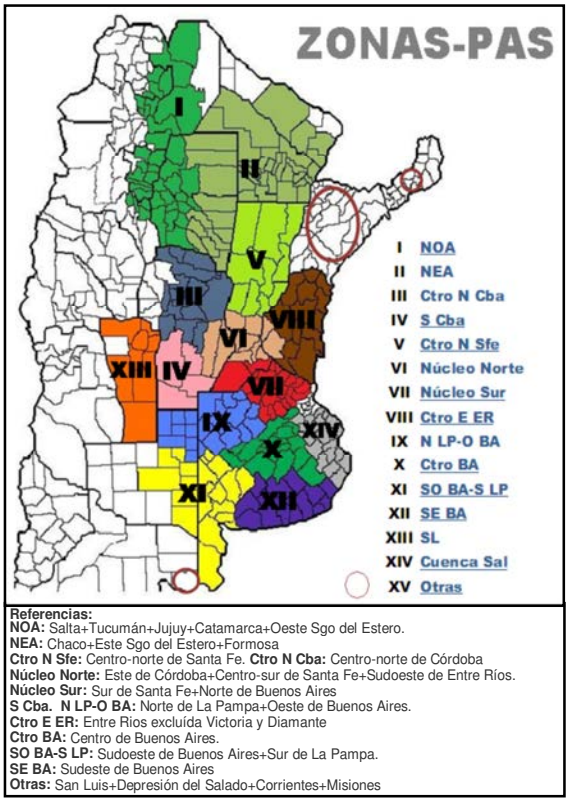
Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE



Referencias:
NOA: Salta+Tucumán+Jujuy+Catamarca+Oeste Sgo del Estero.
NEA: Chaco+Este Sgo del Estero+Formosa
Ctro N Sfe: Centro-norte de Santa Fe. **Ctro N Cba:** Centro-norte de Córdoba
Núcleo Norte: Este de Córdoba+Centro-sur de Santa Fe+Sudoeste de Entre Ríos.
Núcleo Sur: Sur de Santa Fe+Norte de Buenos Aires
S Cba. N LP-O BA: Norte de La Pampa+Oeste de Buenos Aires.
Ctro E ER: Entre Rios excluída Victoria y Diamante
Ctro BA: Centro de Buenos Aires.
SO BA-S LP: Sudoeste de Buenos Aires+Sur de La Pampa.
SE BA: Sudeste de Buenos Aires
Otras: San Luis+Depresión del Salado+Corrientes+Misiones

WEEK ENDED ON Jul. 12, 2012

CROP REPORT - HIGHLIGHTS

Estimations and Agricultural Projections Department
Buenos Aires Grain Exchange

WEEKLY AGRICULTURAL WEATHER OUTLOOK
BUENOS AIRES GRAIN EXCHANGE

OUTLOOK SUMMARY

NATIONAL AGRICULTURAL WEATHER OUTLOOK 12 to19 July 2012: Low temperatures and scarce precipitations

The polar air mass which began in the preceding days will continue at the beginning of the current perspective. The risk of frosts will persist across the national agricultural area. Most of the area will observe scarce precipitations. Only some areas in the northern-end of the country will observe significant values. The perspective will continue with northerly winds which will produce a moderate rise in temperature. Maximum temperatures, however, will remain below normal. Towards the end of the current perspective, a new mass of polar air will bring a sharp decrease in temperature and new frost risks over most of the national agricultural area.

Buenos Aires, July 12th, 2012 **Buenos Aires Grain Exchange**

SUNFLOWER

The sunflower cycle 2012/2013 is about to start, when the first plots are incorporated in the Chaco province. This cycle expects a significant expansion of the sunflower area. Such increase is mainly due to the good performance of the crop in the last two seasons, yielding above historical values. The South of Buenos Aires and La Pampa concentrate more than 50% of the sunflower area nationwide. Although the seeding starts at the end of September, a slight YOY surface increase is expected for the current cycle.
Accordingly, and expecting rains that provide good seeding conditions, our initial estimation reports that the seeding intention will be increased by 7.5 percentage points compared to the previous season. Overall, the seeding area estimated for this cycle stands at 2,000,000 hectares. Finally, taking the current estimation into account, as well as the area increase during the last two cycles, the sunflower area is still 25.9 % below the 2.7 M HAS from the cycle 2007/2008.

WHEAT

During the last seven days there were no significant rains, due to which the incorporation of plots has moved on continuously over most of the center and south of the national agricultural area. So far the seeding has covered an estimate of 78% of the suitable surface, reporting a weekly progress of 13.7%, and a yoy progress of -1.9%. On the other hand, there is a significant reduction of surface in the ongoing cycle (projected at 3,700,000 hectares), nearing 1 million hectares.

Such drop is mostly due to the decrease in the seeding intention over regions that have past their optimal seeding window. However, there is still time for the incorporation of intermediate and short cycle plots in the south tip of the national agricultural area, where the greatest productive belts sit (SE and SW of Buenos Aires).

At the same time, most of the plots implanted in the North-center and South of Cordoba are still going through the leaves differentiation phase in good conditions. Early plots in the North belt and East center of Entre Rios are coursing a similar stage and evolution. Conditions improve toward the South Belt.

SOYBEAN

Up to the current report only a few plots are pending collection in the west, center and southwest of Buenos Aires. This surface covers around 25 thousand HAS, which is expected to render a strongly reduced productivity as a result of climatic factors and harvest delays.
The harvest of soybean closes the cycle 2011/12, reporting a final volume of 39,900,000 tons. This accumulated production describes a drop of 9.3 million tons compared to the previous cycle (49.2 MTN –harvest 2010/11), and a YOY dip of -19%. Although in the ongoing cycle the seeding surface has been incremented by 350,000 HAS from the previous cycle, several climate factors have engrossed plot losses (660 thousand HAS lost in 11/12 vs. 250 thousand HAS in 10/11), as well as caused a significant YOY drop (-18.6%) in the national average yield (2.19Tn/ha 11/12 vs. 2.69Tn/ha 10/11). These figures reflect the succession of adverse climate conditions (summer droughts, early frosts and hydric excess) during the cycle.

SOYBEAN HARVEST

2011/12 SEASON

As of: Jul. 12, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yeld (1) (qq/ha)	Production (Tm)
		Sown	Lost	Harvestable				
I	NOA	1.260.000	25.000	1.235.000	100,0	1.235.000	15,2	1.871.381
II	NEA	1.930.000	350.000	1.580.000	100,0	1.580.000	9,4	1.481.936
III	Ctro N Cba	2.330.000	21.200	2.308.800	100,0	2.308.800	20,5	4.729.225
IV	S Cba	1.400.000	41.000	1.359.000	100,0	1.359.000	15,5	2.101.250
V	Ctro N SFe	1.116.000	7.500	1.108.500	100,0	1.108.500	21,3	2.366.370
VI	Núcleo Norte	3.410.000	1.000	3.409.000	100,0	3.409.000	28,1	9.574.235
VII	Núcleo Sur	2.670.000	16.000	2.654.000	100,0	2.654.000	25,7	6.812.862
VIII	Ctro E ER	1.140.000	2.000	1.138.000	100,0	1.138.000	21,2	2.414.456
IX	N LP-OBA	1.550.000	110.000	1.440.000	100,0	1.440.000	28,7	4.136.608
X	Ctro BA	565.000	67.000	498.000	100,0	498.000	27,2	1.353.199
XI	SO BA-S LP	328.000	11.000	317.000	100,0	317.000	20,5	649.810
XII	SE BA	740.000	1.800	738.200	100,0	738.200	22,4	1.652.426
XIII	SL	137.000	4.000	133.000	100,0	133.000	13,0	172.508
XIV	Cuenca Sal	222.000	1.500	220.500	100,0	220.500	22,0	484.832
XV	Others	52.000	1.000	51.000	100,0	51.000	19,4	99.055
	TOTAL	**18.850.000**	**660.000**	**18.190.000**	**100,0**	**18.190.000**	**21,9**	**39.900.152**

CORN

So far the harvest progress is estimated at 86.1% of the suitable surface collected, reporting a weekly progress of +5.1% and a YOY delay of -2.8%. The national average yield of 5.2Tn/ha has accumulated a partial volume above 15.7 MTN. Consequently the collection is starting to progress in the north provinces, where plots are beginning to drain and allow for the harvest of the crop.

Up in the NW area, more than 100 thousand hectares remain to be harvested, which mostly belong to late seeded plots in the month of January. The frosts reported last week will speed up the maturity process. Also the threshing has gained momentum in the NE area, aided by good weather in the last seven days. Toward the North-center of Cordoba, the regions of Jesus Maria and its surroundings report good yields. The North Belt and South areas are nearing the end of the cycle, with almost 10,000 HAS remaining to harvest overall. The yields of late plots have significantly differentiated from the early implanted plots, as well as from second plots. Likewise, the North of La Pampa-West of Buenos Aires is showing good threshing progress, especially in the late corn plots that were flooded. Under these circumstances, we keep our final production estimate at 19,300,000 TN.

CORN HARVEST

2011/12 SEASON

As of: July. 12, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yeld (1) (qq/ha)	Production (Tn)
		Sown	Lost	Harvestable				
I	NOA	255.000	15.000	240.000	56	133.504	47,7	636.929
II	NEA	270.000	20.000	250.000	64	160.625	42,3	679.258
III	Ctro N Cba	475.000	16.000	459.000	81	369.938	62,0	2.293.613
IV	S Cba	500.000	67.500	432.500	89	385.000	40,0	1.540.000
V	Ctro N SFe	160.000	28.000	132.000	87	114.720	49,8	571.306
VI	Núcleo Norte	527.000	14.500	512.500	99	509.549	61,4	3.128.630
VII	Núcleo Sur	460.000	40.500	419.500	98	412.324	49,2	2.028.634
VIII	Ctro E ER	165.000	20.000	145.000	98	142.624	48,8	696.005
IX	N LP-OBA	535.000	69.000	466.000	87	407.200	56,0	2.280.320
X	Ctro BA	136.000	30.000	106.000	79	83.240	54,0	449.496
XI	SO BA-S LP	107.000	22.000	85.000	81	68.976	43,2	297.975
XII	SE BA	85.000	3.500	81.500	78	63.840	66,0	421.344
XIII	SL	115.000	15.000	100.000	92	92.238	42,5	392.009
XIV	Cuenca Sal	60.000	4.000	56.000	100	55.880	45,0	251.460
XV	Others	20.000	0	20.000	88	17.600	50,5	88.880
	TOTAL	3.870.000	365.000	3.505.000	86,1	3.017.257	52,2	15.755.858

MALTING BARLEY

So far 70.3 % of the national area has been seeded, reporting a significant seeding progress of 42.3 percentage points during the last two weeks. This is because the main barley-producing area (SE of Buenos Aires) is going through the optimal seeding window in good moisture conditions.

The NE area, North-center of Cordoba, North-center of Santa Fe and the North Belt, have finished the covering tasks. Meanwhile the South of Cordoba, East-center of Entre Rios, and the South Belt, are nearing the end of the seeding. The early plots are reporting good conditions and starting the tillering stage, while the majority of the plots are opening the first leaves. Over to the West of Buenos Aires and North of La Pampa more than 70% of the area has been covered, and the plots are going through the stages ranging from emergence to differentiation of leaves in good conditions.

In such conditions, we maintain our national area estimation at 1,500,000 hectares in the ongoing cycle. Compared to the previous cycle, the surface increase reaches 27 percentage points (2011/2012 1,180,000 HAS).